

# **Committee on Ways and Means**

## ***Subcommittee on Human Resources***

### **Jobs and Unemployment Benefits**

March 2004

The economy is improving and jobs are being created.

- Economic and productivity growth is higher than in decades.
- Jobs have grown 6 months in a row – a total of 300,000+ new jobs.
- There are nearly 3 million more workers now than in early 2002 – more Americans worked in January 2004 than ever before.
- After-tax income has increased due to our tax-relief bills.
- Homeownership is at record levels.
- Inflation and interest rates are very low.

As a result, the nation's unemployment rate has fallen – to 5.6% in February 2004, down from 6.3% in June 2003.

- Today's rate is below the average for entire decades of the 1970s, 80s, and 90s.
- Today's rate is lower than when Democrats ended a temporary extended unemployment benefits program in the 1990s (the April 1994 rate was 6.4%).
- There are one million fewer unemployed workers now than last summer.

Still, that's not good enough. As President Bush noted, we must continue pursuing a pro-growth agenda so every American who wants a job can find one.

For those in need, unemployment benefits remain available in every State.

- Regular unemployment benefits last up to 6 months in every State.
- Regular benefits totaled \$40 billion in 2003, double the amount paid in 2000.

The Federal temporary extended benefits program that started in March 2002 continues to pay benefits through March 2004.

- This program has helped 8 million workers with \$24 billion in benefits.
- During this program, long-term unemployed workers collected up to 9 months of benefits in all States, or up to 15 months where jobs are harder to find.
- Even after this temporary program expires, another permanent extended benefits program remains available in States where jobs are harder to find.

In March 2002, Congress gave States a record \$8 billion to help the unemployed.

- As of February 2004, States collectively had \$4 billion left.
- Most States (45) had some money left, which they could spend on bigger or longer unemployment benefits, among other uses.
- Only eight States (IL, MA, MN, MO, NY, NC, TX, and WY) had used their entire share of the Federal funds.